

7 July 2014



**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
CHAUK DEVELOPMENT WELL L 141**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its jointly controlled entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has commenced drilling development well L 141 in the Chauk oil field in Myanmar.

Interra has a 60% interest in the Improved Petroleum Recovery Contract of the Chauk field and also owns 60% of Goldpetrol which is the operator of the field. L 141 is being drilled using hired ZJ 750 rig to a total measured depth 2,600 feet. Interra’s share of the cost of drilling is funded from existing funds on hand.

L 141 is the second directional well to be drilled from the west bank of the Ayeyarwaddy River but will be the first well drilled under the river to have shallower reservoirs as the primary target. It will be drilled in an up-dip position to several older producing wells and if successful could set-up several offset locations.

Interra estimates that the results of the drilling and completion should be available in approximately six weeks. The Company will announce the results as soon as they may be ascertained as well as updates reflecting critical or unexpected events during drilling.

By Order of the Board of Directors of
INTERRA RESOURCES LIMITED

Marcel Tjia
Chief Executive Officer

About Interra

Interra Resources Limited, a Singapore-incorporated company listed on SGX Mainboard, is engaged in the business of oil and gas exploration and production (E&P). Our E&P activities include oil and gas production, field development and exploration. We are positioning ourselves to become a leading regional independent producer of oil and gas.